

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Medical Review Division regarding a medical fee dispute between the requestor and the respondent named above.

I. DISPUTE

1.
 - a. Whether there should be additional reimbursement for date of service 05/09/01.
 - b. The request was received on 05/09/02.

II. EXHIBITS

1. Requestor, Exhibit 1:
 - a. TWCC 60 and Letter Requesting Dispute Resolution
 - b. HCFA's
 - c. EOB
 - d. Medical Records
 - e. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
2. Respondent, Exhibit 2:
 - a. TWCC 60
 - b. Audit summaries/EOB
 - c. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
3. The Division received a copy of the carrier's response to the initial request for medical dispute resolution on 05/24/02. The provider's additional documentation was received in the Division on 06/21/02. There is no sign sheet to indicate that the carrier was supplied a copy of the additional documentation. However, their response to the initial request included a copy of the EOBs with the denial code.
4. Notice of Medical Dispute is reflected as Exhibit #3 of the Commission's case file.

III. PARTIES' POSITIONS

1. Requestor: Letter dated 06/20/02
"...we received a prescription for the above named patient to receive a Wrist Splint and we set up the patient....After submitting our initial claim and also our request for reconsideration, the insurance carrier only paid us \$81.67 total for code L3914,[sic] we have enclosed EOBs from other carriers that have reimbursed us for this same code."
2. Respondent:
The carrier provided the EOBs in their initial response

IV. FINDINGS

1. Based on Commission Rule 133.307(d) (1) (2), the only date of service eligible for review is 05/09/01.
2. The carrier denied the service as M, reduced to fair and reasonable.
3. The following table identifies the disputed services and Medical Review Division's rationale:

DOS	CPT Code	BILLED	PAID	EOB Denial Code(s)	MARS	REFERENCE	RATIONALE:
05/09/01	L3914	\$200.00	\$81.67	M	F&R	MFG Descriptor DME GR (IV) General Instructions (III) (A); (VI)	<p>The provider has submitted a prescription for the hand/wrist splint. However, the prescription does not indicate the medical necessity of the splint.</p> <p>DOP indicates that the information included should explain the nature, extent, and the need for the service. There is no medical in the file to indicate the need for the service.</p> <p>If no MAR is listed, then payment shall be made at a fair and reasonable price.</p> <p>Section 413.011 (d) of the Texas Labor Code states, "Guidelines for medical services must be fair and reasonable and designed to ensure the quality of medical care and to achieve effective medical cost control. The guidelines may not provide for payment of a fee in excess of the fees charged for similar treatment of an injured individual of an equivalent standard of living and paid by that individual or by someone acting on that individual's behalf. The Commission shall consider the increased security of payment afforded by this subtitle in establishing the fee guidelines."</p> <p>The provider has submitted 4 EOBs from other carriers as examples of "fair and reasonable" reimbursement for same or similar services. These EOBs were paid at 100% of the billed amount. Regardless of the carrier's methodology, response, or lack thereof, the burden is on the provider to show that the amount of reimbursement requested is fair and reasonable.</p> <p>The willingness of some carriers to provide reimbursement at or near the billed amount does not necessarily document that the billed amount is fair and reasonable and does not show how effective medical cost control is achieved, a criteria identified in Sec. 413.011 (d) of the Texas Labor Code. The EOBs provide no evidence of amounts paid on behalf of managed care patients of ASCs or on behalf of other non-workers' compensation patients with an equivalent standard of living. Therefore, based on the evidence available for review, the Requestor has not established entitlement to additional reimbursement.</p>
Totals							The Requestor is or is not entitled to reimbursement in the amount of \$

MDR: M4-02-3507-01

The above Findings and Decision are hereby issued this 26th day of July 2002.

Carolyn Ollar, RN, BA
Medical Dispute Resolution Officer
Medical Review Division

This document is signed under the authority delegated to me by Richard Reynolds, Executive Director, pursuant to the Texas Workers' Compensation Act, Texas Labor Code Sections 402.041 - 402.042 and re-delegated by Virginia May, Deputy Executive Director.